

OGC 64-0106

15 January 1964

MEMORANDUM FOR THE RECORD

**SUBJECT: Meeting with Representative Clarence Cannon
Tuesday, 14 January 1964**

1. Met with Mr. Cannon for almost an hour. He appeared in a relaxed mood and before we got down to business I heard the story of the Manhattan Project, his trip to Germany before World War II, his trip to Panama ten years ago, and the congressional duties of President Johnson.

2. Mr. Cannon raised the question of our finances for the year. I indicated that the Fiscal Year 1964 situation was still not finally resolved mentioning that the Director had met with the Russell Subcommittee just last Friday. Mr. Cannon seemed very interested and inquired if Senator Russell had any views on the Agency budget question. Without going into great detail, I indicated Senator Russell felt that with the passage of half the year he thought possibly the Agency could get by with a Reserve of

25X1 [redacted] Mr. Cannon seemed most interested in this saying that this sounded very much like his previous discussions with Senator Russell. I noted that Mr. Cannon took careful notes of this. Before I left this subject I indicated it would be most helpful if the matter could be resolved and if we could get the appropriate letters from the House and Senate Committees agreeing on a solution. Mr. Cannon indicated he would look into this. Mr. Cannon further inquired on our 1965 budget. I stated that the Director felt we were probably all right but that some cuts had been made indicating an initial request of [redacted]

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3. I mentioned to Mr. Cannon that the Director was planning to leave for Europe at the end of the week and inquired if there was anything the Agency or Mr. McCone could do for the Subcommittee before then. Mr. Cannon said he thought not and I then discussed the recent publicity regarding the Soviet economy which had been attributed to the Agency. I explained some of the background of this (in line with the Director's discussion of this with Senator Russell). Mr. Cannon obviously did not like to see the Agency in public print on this and stated he thought it was unfortunate. On the other hand, after the background explanation, he seemed to be somewhat relieved and agreed that the Director was taking the proper course in avoiding this kind of thing for the future. I reminded Mr. Cannon, of course, that since the Director had taken office he had made no public speeches and was most mindful of the problem of keeping the Agency out of the public domain insofar as possible. Mr. Cannon emphasized his view on this but repeated his story about the trip of a member to the South American country where various uniforms were shown by the government reserving the gaudiest one for display saying this was their secret service uniform. I indicated to Mr. Cannon that I got the point.

4. Mr. Cannon turned to the question of whether the current headquarters was large enough for all personnel. I reviewed this very quickly with him pointing out that our authorization request had been cut both by the Bureau of the Budget and by the Congress although, of course, the appropriation was granted in the full amount of the authorization. The resulting cuts had cut our building below the space needed to house all employees at Washington and this had been the subject of a letter of explanation to Mr. Cannon in 1956. Mr. Cannon then mentioned the desire several years ago of utilizing some surplus funds appropriated for the building to build a residence for the Director of Central Intelligence. He stated that while the majority of the Subcommittee would have gone along on this, one or two members had objected and, therefore, the full Subcommittee was not in favor of such a project. (This illustrates Mr. Cannon still remembers the question of surplus building funds and it is pertinent to current consideration of construction of a new printing and reproduction facility.)

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5. Mr. Cannon added also that he felt that the Agency was one of the few in Government that had a proper regard for economy and utilized its funds in a conscientious manner. He also stated he had the greatest admiration for Mr. McCone and his ability. Mr. Cannon, as indicated, was gracious and appeared to wish to discuss various matters. He concluded by saying he was appreciative of my coming by to talk with him and asked me to give his regards to Mr. McCone.

s/ John S. Warner
JOHN S. WARNER
Legislative Counsel

cc: DCI
DDCI
Ex Dir-Compt.
DD/S
OGC/LC Subject - Cannon
CIA Sub of House Appropriations
OGC/LC Chrono.
OGC/LC:JSW:mks

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